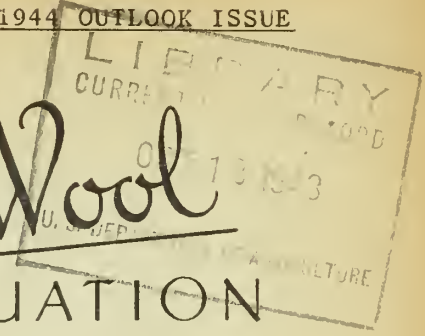


Historic, archived document

Do not assume content reflects current scientific knowledge, policies, or practices.

41
L 752
ap. 1



THE

Livestock and Wool

SITUATION

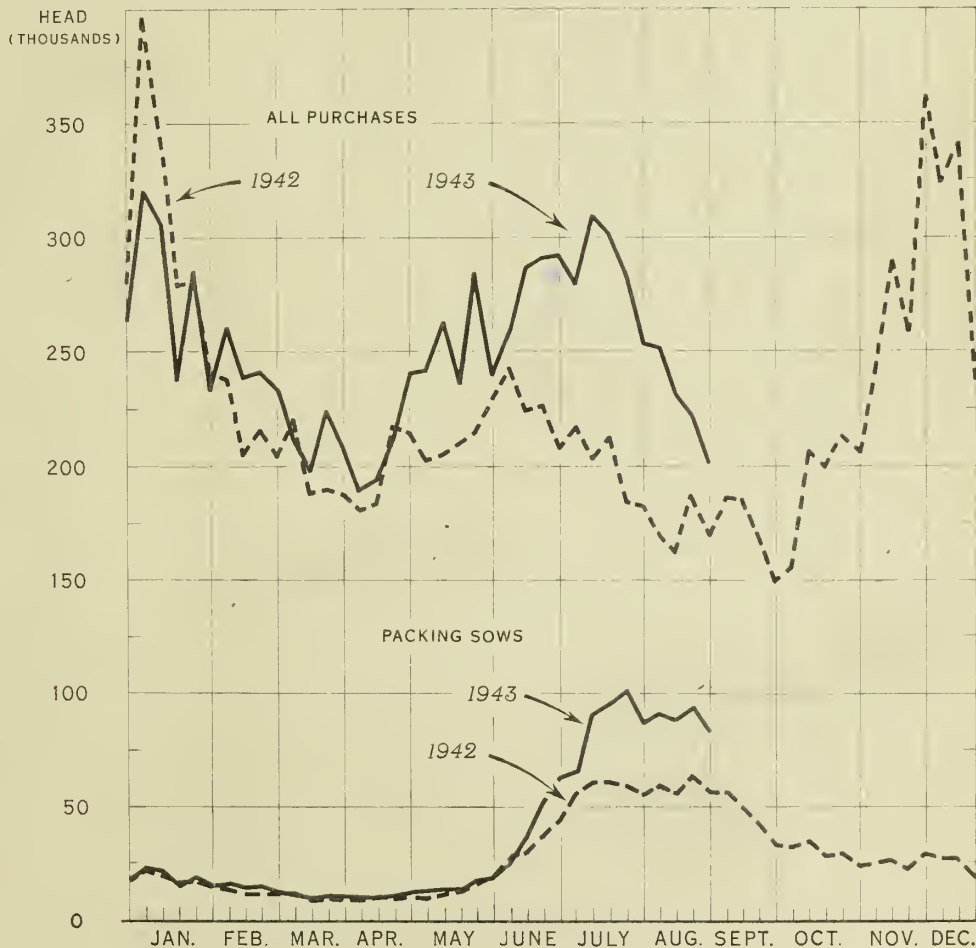
BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

LWS-17



SEPTEMBER 1943

HOGS: PACKER AND SHIPPER PURCHASES AT SEVEN MARKETS, BY WEEKS, 1942 AND 1943



U. S. DEPARTMENT OF AGRICULTURE

NEG. 43270

BUREAU OF AGRICULTURAL ECONOMICS

The slaughter of sows from June through September normally comes from sows farrowing in the spring. This year the slaughter of sows from June through August is relatively larger than the 22 percent increase in spring farrowings. This would indicate that some liquidation of breeding stock may be in progress. As a result the fall pig crop may not be as large as indicated by farmers' intentions June 1.

HOGS: PRICE AT CHICAGO AND FEDERALLY INSPECTED SLAUGHTER, UNITED STATES, 1932-41 AVERAGE, 1942, AND 1943



Figure 1.- Hog prices advanced the first of the year when slaughter was unusually low but declined in late spring when slaughter was close to plant capacity for that season of the year. Because of the strong demand for pork the prices may be expected to be maintained at or near current levels until the heavy run of hogs starts this fall.

THE LIVESTOCK AND WOOL SITUATIONSummary

Meat output in 1944 may be as large as the record production of 1943, but will not be large enough to supply all needs. Military, lend-lease and other noncivilian meat demands will be about a fourth higher than in 1943, so that the amount allocated to civilians will be smaller.

While the fall pig crop may be smaller than June 1 indications, total hog slaughter in the 1943-44 crop year may reach 100 million head. Although the average live weight of hogs marketed probably will be lower than in 1942-43 due to the prospective scarcity of feed for finishing, pork production may exceed the 12 billion-pound 1942-43 production by 1 to 2 billion pounds. Processing and transportation facilities probably will be severely taxed in handling the peak hog marketings this winter.

A smaller spring pig crop in 1944 than in 1943 is expected because of the reduced feed supply and the less favorable hog-corn price ratio of this fall compared to last. The range of short-time hog price fluctuations and of seasonal changes are limited by the narrow margin between the recently announced price ceilings and existing price supports.

The number of cattle and calves on farms and ranches is expected to increase possibly by 2 to 3 million head during 1943 even though cattle slaughter this year may be a little larger than in 1942. Numbers of cattle are high in relation to normal feed production, so that a large increase in slaughter appears desirable for 1944.

The outlook for cattle feeding in 1943-44 is not promising. Feed supplies are smaller and feed costs are higher than last year. Uncertainty

SEPTEMBER 1943

- 4 -

of cattle prices in 1944 is an important factor affecting purchases of feeder cattle this fall. Though cattle movement into feed lots has been smaller this year than a year ago, larger-than-usual movement may still occur.

Heavy sheep and lamb marketings during recent months indicate a continuation of the downward trend in sheep numbers which began last year. Sheep on farms January 1 may be 2 million head below a year ago, and the 1944 lamb crop may be smaller because of heavy ewe slaughter during recent months. These declines in number resulted mainly from a shortage in skilled help. Contributing factors to a possible reduction in lamb feeding in 1943-44 are high feed costs and the currently higher prices of lambs in relation to the lamb prices of a year ago.

Recent Government action affecting livestock includes: (1) The suspension of slaughter quotas until November 1 and of inventory restrictions until further notice by the War Food Administration; (2) the announcement by the Office of Price Administration that the Chicago hog ceiling of \$14.75 will be effective October 4; (3) announcement that from October 1, 1944, until March 31, 1945, the price of Good to Choice 200-240 pound butcher hogs at Chicago would be supported by the War Food Administration at \$12.50; (4) Office of Defense Transportation plan which will permit livestock producers, truckers, dealers and processors to set up local programs for the orderly and continuous movement of livestock by motortruck.

Although farmers have less wool to sell this year than last the 1943 wool income will closely parallel the 1943 record income of 157 million dollars. This parallel in income is because prices to growers are averaging about a cent a pound higher than last year. Growers are paid ceiling prices,

less freight and handling charges, for all wool sold to the Commodity Credit Corporation. It now appears that Army wool fabric requirements have passed their peak and a sizable reduction in Army orders is indicated for the remainder of 1943 and for 1944. Total Government and civilian demand, however, is expected to be large enough to support a high rate of wool consumption. Maintenance requirements of the armed forces will be heavy as long as the war continues, and lend-lease and other export requirements probably will increase in 1944. Production for civilian use has been sharply curtailed since early 1942 and stocks of civilian goods are now relatively small.

-- September 18, 1943

RECENT DEVELOPMENTS

Quotas and Inventory Controls Suspended

The War Food Administration announced September 1 that all quota limitations on livestock slaughter would be suspended through October 31. This was followed on September 4 by an order suspending inventory restrictions on slaughterers and meat handlers until further notice. All other provisions of the licensing program for slaughterers contained in FDO-75, FDO-75.1, and FDO-75.2 remain in effect. The action is expected to encourage increased slaughter in September-October and thus help to avoid a glut during the late fall and winter when the peak runs usually appear.

Hog Prices Advance; Ceilings to Go in Effect October 4

Hog prices have advanced during August and early September. The average price of all purchases at Chicago was \$14.51 for the second week in September compared with \$13.85 for the same week in August. The price advance for sows was much greater than for barrows and gilts. A top Chicago hog price of \$15.40 was reached September 13.

The Office of Price Administration has announced a ceiling of \$14.75 a hundredweight on live hogs at Chicago effective October 4. In establishing dollar-and-cents ceilings for sales of live hogs at various markets throughout the country, the Office of Price Administration sought to maintain customary geographical price relationships and, at the same time, relate the live hog structure to the maximum prices already set for pork at wholesale in Revised Maximum Price Regulation 148. The order does not apply to hogs weighing less than 140 pounds sold for feeding for more than 1 month, hogs sold for breeding or for serum, or any hogs sold by a recognized farm youth

organization at fairs or shows, with prior approval of OPA. Based on present corn and live hog ceilings, the hog-corn price ratio is 13.7 at Chicago, somewhat below that which prevailed during 1942.

Forward Hog-Price Support Announced

As a guide to farmers in planning their production program for next year, the War Food Administration announced that the price of Good to Choice butcher 200-240-pound hogs would be supported at \$12.50 per hundredweight, Chicago basis, for the period October 1, 1944, to March 31, 1945. The announcement was made at this time because farmers will soon be planning the number of sows to farrow next spring. The marketing season for 1944 spring pigs will begin in October 1944. According to the War Food Administration, feed supplies appear to be inadequate to maintain hog production at the record levels of 1943, but sufficient to justify a spring pig crop equal to the 61 million head crop of 1942. This level of farrowing will be feasible, however, only if hogs are marketed at normal weights rather than at the heavy weights of the last 2 years. Prior to 1942 the annual weight of hogs sold under Federal inspection averaged about 230 pounds. In 1942 it was 245 pounds, and is expected to be around 255 pounds in 1943.

Hog Slaughter Down in August

Hog slaughter in federally inspected plants declined more than seasonally during August. It was 18 percent below July but 31 percent above the corresponding month a year ago for the same reporting plants. Receipts of hogs during the first part of September were running below those of August. Sow marketings continue to be very heavy this late in the season, but marketings of old-crop hogs have declined in many sections. Interior Iowa and southern Minnesota market reports indicate that spring pig marketing will be delayed some 2 or 3 weeks in those areas, principally because of late farrowing.

Cattle Slaughter Increases; Prices Irregular

Recent cattle marketing trends are upward. Federally inspected slaughter during August was up 17 percent from July and while not as high as August of 1942 was above August 1941. Calf slaughter, which has been running low, increased about 30 percent in August. Much of the cattle marketing increase consists of grass-fed cattle from the Southwest where it has been unusually dry.

Cattle prices have been irregular during the past month. All prices dropped about the middle of August following the largest run of cattle received since December 1942. The price of good quality cattle strengthened the following week, and for the week ended September 11 Good grade steers sold out of first hands at Chicago stood at \$15.39, almost as high as a month earlier. Prices of the poorer grades continued to decline seasonally. Feeder cattle prices also have declined. For the week ended September 11 the average price of feeder and stocker cattle at Kansas City was \$12.04, a drop of 40 cents in 4 weeks.

Shortage in Rail Equipment; ODT Transportation Program Announced

The Association of American Railroads has announced that the supply of stock cars, both single and double deck, is expected to be inadequate during the peak movement of livestock this fall and winter. To assist the railroads and to protect the shipper, it is suggested that orders for cars be placed with the railroad agency in advance of anticipated shipment to permit the carrier to distribute available equipment to loading stations based on actual requirements.

In an effort to assure, so far as possible, adequate motor transportation for livestock this fall and winter, the Office of Defense Transportation recently announced a program to permit producers, truckers, dealers, and processors of livestock to set up industry transportation plans locally for the orderly and continuous movement of livestock by motor truck. Full details are being forwarded by the Office of Defense Transportation to its field representatives. Any local committee which has been organized in such a manner as to assure representation to all persons affected by a livestock truck plan will be approved by the Office of Defense Transportation in Washington. The local ODT District Manager will be appointed as administrator. The entire program is to be administered by the local industry committee and the local administrator, except for appeals by an individual against a local decision.

Little Change in Prices of Sheep and Lambs; Slaughter at Record Levels

Lamb and ewe prices advanced during August and then declined in early September. The price of spring lambs at Chicago was \$14.00 for the week ended September 11 compared with \$13.78 a month earlier. Ewe prices stood at \$6.75 in the week ended September 11.

The number of sheep and lambs going to slaughter continued to increase in August when slaughter under Federal inspection was 14 percent above July and was the highest August slaughter on record. Heavy marketings of ewes still appear to account for a large part of the increased slaughter above last year.

Pork Stocks Decline; Lard Stocks Increase

Cold-storage holdings of pork on September 1 totaled 495 million pounds, a net decline of 49 million pounds from August 1. Lard and rendered pork fat holdings stood at 261 million pounds the 1st of September, an increase of 20 million pounds during August. Included in these totals are 82 million pounds of cured pork cuts and 148 million pounds of lard and rendered pork fat held by the Food Distribution Administration and Federal Surplus Commodities Corporation in storage outside of processors' hands.

Lard Purchases Suspended; Pork Reduced

From August 8 through September 4, no lard was purchased by the War Food Administration. Purchases of canned, frozen, and cured pork were

reduced by 35 percent compared with the previous 4 weeks, the first time since the start of the purchase program that lard purchases have been suspended for such a long period. The action was prompted by the recommendation made by the War Meat Board in late July that purchases of pork and lard be reduced during the period of seasonally small hog marketings which normally occurs in August.

Meat "Delivered at Shipment" increased 13 percent during July due to the favorable shipping situation. Deliveries of canned meat products were 50 percent larger than a month earlier, more than offsetting somewhat smaller deliveries of other meats and meat products.

OUTLOOK FOR MEATS AND LIVESTOCK IN 1944

MEATS

Livestock production during World War II has expanded more rapidly than crop production. Total meat supplies in 1943 will surpass all records and supplies in 1944 may be as large. The output of meat next year may reach 24 billion pounds, 50 percent above the average 1935-39 output. Even this large production, however, will satisfy only more urgent demands. On the basis of present estimates, military, lend-lease, and other noncivilian requirements are expected to be about a fourth higher in 1944 than in 1943. Civilian demand will be high but will be kept controlled by rationing and ceiling prices; hence, though consumer incomes may be larger, meat expenditures by civilians may be smaller in 1944.

Machinery to control black market operations will be better organized in 1944 reflecting the new licensing program of the War Food Administration, strict enforcement of regulations by the Office of Price Administration, and the coordinating efforts of the War Meat Board.

HOGS

1943 Pig Crop Largest on Record

Hog producers this year will raise the largest pig crop on record. The spring pig crop was estimated at 74 million head, 22 percent larger than the previous record of 1942. It was larger than in 1942 in all States, with the greatest percentage gain occurring in the western Corn Belt and in areas outside the Corn Belt.

The fall pig crop is also expected to be larger than in 1942. The June 1 breeding intentions of farmers indicated a 25 percent increase, but since then conditions have changed somewhat. Marketings of sows this summer have been about half again as large as a year ago, indicating that some liquidation of breeding stock may be in progress. (See chart on cover page.)

Corn prices have advanced since last year. The hog-corn price ratio (Chicago basis) dropped below 13 during July. Even then, because of the greater value obtained from feeding corn to hogs than from selling it at ceiling prices, relatively little corn was moved from farms where produced.

This has made it difficult for some farmers who normally buy corn to obtain sufficient corn for their livestock feeding. Although a favorable corn crop is indicated for this year, feed supplies per animal unit will be smaller than in recent years because of the large number of animals now on farms.

Record Large Hog Slaughter Expected

Because of large pig crops the 1943-44 hog slaughter will exceed the record 1942-43 slaughter and may reach 100 million head even after allowing for relatively large death losses. The average live weight of hogs marketed, however, may be somewhat lower than last season due to the prospective tight supply of feed for finishing. Pork production in 1943-44 may be 1 to 2 billion pounds greater than the 12 billion pounds estimated for 1942-43, and 4 to 5 billion pounds greater than the 5-year (1937-41) average. Expectations are that the 1944 spring pig crop will be smaller than this year's crop because of the smaller feed supply and the less favorable hog-corn price ratio compared with last year. This would mean that hog slaughter in the calendar year 1944 will probably be smaller than for the marketing year 1942-43, possibly by 2 to 3 million head. Hog slaughter in 1944 nevertheless would still be 3 to 4 million head higher than in 1943.

Processing and Transportation Facilities to be Strained

It appears that the monthly slaughter of hogs under Federal inspection in December or January will exceed the all-time record of 6.8 million head slaughtered last December. Because of wartime restrictions on materials, the increase over last year in the physical capacity of all plants is probably small, though war-duration plants coming under inspection have increased the total capacity of federally inspected plants about 2 percent. It was estimated that the capacity of federally inspected plants in December 1942 was 8.0 to 8.5 million head, with the labor force then available. However, the present labor force is probably much smaller than it was a year ago. In June this year, when slaughter was only 5.6 million head, the War Meat Board found that hogs were being carried over in packers' yards because of the manpower shortage.

Possibly the critical transportation situation will serve as a check on hog marketings. Only 80 to 85 percent as many livestock truckers are reported to be available this fall compared with last in the Corn Belt because of a shortage of both drivers and mechanics. But truckers are expected to be able to handle 90 to 95 percent as much livestock as they moved last fall. Efficiency is expected to improve even more this fall both as a result of voluntary arrangements among farmers and truckers and of organized attempts in local committees sponsored by the Office of Defense Transportation. Many farm trucks, as well as some for-hire trucks not equipped with livestock racks, will probably be used. Shortages may force some economies. Marketings, which in the past have been unevenly spread through the week, will be more even and also peak loads will be extended over a longer period.

Little Change in Hog Prices
Expected in 1944

Hog prices in the next year will be restricted within rather narrow limits. The upper limit on the price of all hogs will be determined by the recently announced ceiling of \$14.75 on live hogs at Chicago. On the lower side there is a support price on Good and Choice butcher hogs at Chicago of \$13.75 for 240-270 pound weights until October 1944 and \$12.50 for 200-240 pound weights from then until April 1945. Prices of butcher hogs of other weights will probably maintain about a normal relationship to these prices. Sow prices are somewhat independent of barrow and gilt prices and could decline but probably will not get far out of line because of the anticipated strong export demand for lard and fat cuts.

Generally the average price of all hogs at Chicago is less than 50 cents below the prices of the weights and grades to which the supports are tied, so that the extreme range in hog prices is likely to be less than \$1.50 before October 1944 and less than \$2.75 from then to the end of 1944. This will allow little margin for short-time fluctuations and seasonal changes in price.

CATTLE

Continued Increase in Cattle Population
Expected During 1943

Cattle numbers have been increasing steadily since the low point of the cycle in 1938. On January 1, 1943, the number of all cattle and calves on farms was 78.2 million head, an increase of 3 million head over the previous year and is 3.8 million head larger than the peak number of 1934. However, the current regional distribution of cattle is different than in 1934. Most of the increase since 1934 has been in the eight North Central States east of the Missouri River and Oklahoma, and the three Pacific Coast States. Texas, the Plain States, and the Rocky Mountain States have fewer cattle this year than in 1934.

During 1943 another increase of about 2 to 3 million head in the number of cattle on farms may be expected. While federally inspected slaughter to date has been about a million head below last year, nonfederally inspected plants are handling at public stockyards a larger proportion of the total kill. Receipts indicate that total slaughter to date this year probably is not much lower than last year. If slaughter during the fall months were larger than a year ago as now seems likely, the total slaughter in 1943 may be above that of 1942.

A third of the increase in cattle numbers during 1942 was in cows and young animals kept for milk, the largest increases being in the eight East North Central States and in the South. This trend is expected to continue in 1943. The demand for milk cattle is a result of the strong wartime need for dairy products.

1943-44 Cattle Feeding Expected to be on
Reduced Scale

The spread between fed cattle and feeder cattle prices is now about the same as last year, but cattle finishers are less confident of a further rise in prices of slaughter cattle than they were a year ago. The price of fed cattle continues high compared with the ceilings on beef, and little further rise in prices can be reasonably expected. Feeder cattle prices, which were unusually high in the first half of the year, declined in July with an increased run of range cattle.

A number of factors in addition to cattle prices normally influence cattle feeding:

(1) Supplies of feed, both grain and roughage. In proportion to the units of livestock to be fed, the hay supply is about equal to the average of the last six seasons, a period of large hay production. Feed-grain supplies per unit of livestock are low compared with the heavy supplies of post-drought years. Surplus supplies of both hay and grain will disappear during 1943-44 and the liberal and somewhat wasteful rates of feeding prevailing last year will be curtailed. But, if supplies were as well-utilized as in the 5 years 1937-41, the usual quantity per head of livestock could be fed.

(2) Price of feeds. Feed prices are high compared with a year ago. In the North Central States corn and hay prices have risen about a third over last year.

(3) Returns from recent feeding operations. Cattle feeding of animals purchased last year has been moderately profitable; particularly when finishing was carried only to the Good grade. Feeding operations on stock purchased this year have not been so successful because of the narrowing spread between feeders and fed cattle and the rise in feed costs.

(4) Supplies of feeders. Market supplies of feeder cattle have been plentiful this year, but a large proportion apparently do not reach feed lots. The movement of feeder cattle from public stockyards for the first 7 months of this season has been 17 percent more than it was in the corresponding period last year. Feeder cattle received in the eight Corn Belt States for those 7 months was 7 percent less than last year. Apparently some of these cattle are diverted to other uses. The number of cattle on feed August 1 was 11 percent lower than for a year earlier, with less than two-thirds as many cattle being put on feed between April 1 and August 1.

While early indications seemed to point to a reduction in cattle feeding operations, late September saw a further increase in the out-movement of feeders from public markets. It is still too early to reach any conclusion but the number of cattle put on feed may be nearly as great as the large number a year ago. Range conditions have deteriorated in the West recently and larger than seasonal marketings of range cattle may occur, many of which could go to feed lots this fall. While feed costs are high, the feed supply appears to be sufficient for moderate feeding in those regions where cattle feeding is practiced.

Table 1.- Cattle and calves: Supply and disappearance, 1939-43

| Item | 1939 | 1940 | 1941 | 1942 | 1943 1/ |
|--|--------------|--------------|--------------|--------------|--------------|
| | Million head | Million head | Million head | Million head | Million head |
| Cattle and calves on farms, January 1: | | | | | |
| Milk cows, 2 years and over | 24.6 | 24.9 | 25.5 | 26.4 | 26.9 |
| Other dairy cattle | 11.0 | 11.5 | 11.9 | 12.4 | 12.8 |
| Total dairy cattle | 35.6 | 36.4 | 37.4 | 38.8 | 39.7 |
| Cows kept for beef | 10.0 | 10.6 | 11.2 | 12.1 | 12.7 |
| Other cattle | 20.4 | 21.2 | 22.9 | 24.3 | 25.8 |
| Total number on farms, January 1 .. | 66.0 | 68.2 | 71.5 | 75.2 | 78.2 |
| Calf crop | 28.8 | 29.8 | 31.1 | 32.7 | 33.7 |
| Imports | .8 | .6 | 2/ | 2/ | 2/ |
| Total supply 2/ | 95.6 | 98.6 | 102.6 | 107.9 | 111.9 |
| Slaughter: | | | | | |
| Cattle - federally inspected | 9.4 | 9.8 | 10.9 | 12.3 | 11.4 |
| Noninspected | 5.2 | 5.2 | 5.5 | 5.3 | 7.2 |
| Total | 14.6 | 15.0 | 16.4 | 17.6 | 18.6 |
| Calves - federally inspected | 5.3 | 5.4 | 5.5 | 5.8 | 4.5 |
| Noninspected | 3.9 | 3.7 | 3.8 | 3.7 | 5.2 |
| Total | 9.2 | 9.1 | 9.3 | 9.5 | 9.7 |
| Total slaughter | 23.8 | 24.1 | 25.7 | 27.1 | 28.3 |
| Other disappearance 2/ | 3.6 | 3.0 | 1.7 | 2.6 | 2.8 |
| Total disappearance | 27.4 | 27.1 | 27.4 | 29.7 | 31.1 |
| Number on farms end of year | 68.2 | 71.5 | 75.2 | 78.2 | 80.8 |

1/ Preliminary estimates; partly forecast.

2/ Import data are not published after October 1941. Included with "other disappearance" after 1940.

Little Change in Cattle Prices Expected in 1944

With present beef ceilings, it does not appear likely that cattle prices can advance much in 1944. Most studies have shown that prices of live cattle are high in relation to ceiling prices for beef, and it is likely that there may be some drop in price with strict enforcement of OPA ceilings. On the other hand, the prospective demand for meats is strong enough to absorb any supply of cattle that is likely to be marketed next year, so that there appears to be little reason to expect a material decline in price next year unless marketings are in excess of processing facilities.

October Peak May Tax Railway and Processing Facilities

The seasonal peak in cattle slaughter, which normally occurs in October, may severely tax processing facilities due mainly to a lack of skilled labor. This will be more restrictive on cattle slaughter than on hog slaughter, because there are more skinning, trimming, and boning

operations on beef and these require skilled help. As with hogs, transportation delays may relieve some of the pressure on packers, while the combined shortage of both may prolong the peak season of marketing and even out market receipts on the different days of the week.

The demand for rail service for livestock apparently approached the capacity of available equipment in October 1942. Railroad loadings of livestock cars to date in 1943 have been 15 percent larger than for the same period in 1942. It is estimated that rail movement of livestock during October 1943 will be about 6 percent heavier than in October 1942. Under favorable conditions the railroads can handle the increased volume, but any delayed movement of stock trains due to heavy troop movements or shortage of locomotives or labor will limit capacity.

SHEEP AND LAMBS

Sheep Numbers to be Reduced Further During 1943

The recent peak in the number of sheep and lambs on farms was reached on January 1, 1942, and numbers have been declining since that time. The exceptionally heavy marketings of sheep and lambs during the current year indicate that a drop of about 2 million head may take place during 1943.

Table 2.- Sheep and lambs: Supply and disappearance, 1939-43

| Item | 1939 | 1940 | 1941 | 1942 | 1943 1/ |
|--------------------------------------|--------------|--------------|--------------|--------------|--------------|
| | Million head | Million head | Million head | Million head | Million head |
| Sheep and lambs on farms, January 1: | | | | | |
| Ewes, 1 year | 35.0 | 35.9 | 36.7 | 37.7 | 37.3 |
| Other stock sheep and lambs | 10.7 | 10.7 | 11.1 | 12.1 | 11.0 |
| Sheep and lambs on feed | 5.9 | 5.8 | 6.5 | 6.9 | 6.8 |
| Total | 51.6 | 52.4 | 54.3 | 56.7 | 55.1 |
| Lamb crop | 30.1 | 31.3 | 32.9 | 32.6 | 31.1 |
| Total supply | 81.7 | 83.7 | 87.2 | 89.3 | 86.2 |
| Federally inspected slaughter | 17.2 | 17.4 | 18.1 | 21.6 | 20.7 |
| Noninspected slaughter | 4.4 | 4.2 | 4.2 | 3.8 | 4.0 |
| Total slaughter | 21.6 | 21.6 | 22.3 | 25.4 | 24.7 |
| Other disappearance | 7.7 | 7.8 | 8.2 | 8.8 | 8.6 |
| Total disappearance | 29.3 | 29.4 | 30.5 | 34.2 | 33.3 |
| Number on farms end of year | 52.4 | 54.3 | 56.7 | 55.1 | 52.9 |

1/ Preliminary estimates; partly forecast.

Ewe slaughter during May, June, and July was 82 percent above a year ago and three times as great as the average for the same period in the preceding 5 years. It appears that a considerable liquidation in ewe numbers is now under way. Slaughter of lambs and yearlings has also increased, but

not nearly so much as in the case of ewes. Because of the smaller lamb crop this year, total slaughter in 1943 is expected to be somewhat smaller than the record slaughter achieved last year but should be higher than the slaughter of any previous year. Slaughter of sheep and lambs in the first 8 months this year was 2 percent more than in the corresponding period a year ago in inspected plants reporting both years.

In the Native Sheep States stock sheep numbers will still be at a high level on January 1, 1944. While numbers in these States on January 1, 1943, were slightly below 1942, they were above any previous year since 1912. In the 11 Western States, however, stock sheep numbers at the end of this year will probably be at the lowest level since 1925. In Texas and the range area of South Dakota sheep numbers at the beginning of 1943 were at their peak. Marketings from these States have been heavy in 1943, however.

One of the most important factors responsible for the heavy marketings of sheep and lambs during 1943 has been the increased shortage of skilled labor for handling sheep in the Western States. Another factor, the uncertainty of obtaining needed concentrate feeds for wintering range flocks, also is important. Rather than run the risk of heavy death losses, many sheepmen are reported to be planning to reduce the size of their herds. It is probable that the labor situation will become even more acute in 1944. With breeding herds reduced by this year's liquidation, the lamb crop may be reduced somewhat next year, even though weather and feed conditions should be about average.

Movement of Feeder Lambs Curtailed

Information now available indicates that the number of lambs on feed up to the present is less this year than last. Feeder lamb shipments received in the eight Corn Belt States during July and August were 15 percent smaller than they were last year. Contracting of lambs has continued at a slow pace in most sections of the country. The continued dry weather in Kansas and Texas makes it appear doubtful that the number of lambs grazed on the wheat pastures of those States this year will be as high as last year.

With present feed costs and with the price of feeder lambs higher in relation to fat lamb prices than a year ago, there is less chance for profit on feeding operations. Feeder prices to date have remained close to the prices of spring lambs, as the latter prices have declined from the peak they reached in March this year.

Sheep and Lamb Prices to Continue High in 1944; Slaughter may be Reduced

With the present strong demand for meats, sheep and lamb prices probably will continue at or near recent levels in 1944. Total marketings of sheep and lambs for slaughter next year will depend upon the proportion of the 1943 lamb crop carried over into 1944, the size of the 1944 lamb crop, and the extent to which breeding herds are reduced during 1944. Even though these factors may contribute to heavy marketings next year, slaughter of sheep and lambs in 1944 may be smaller than the number slaughtered in 1943.

**MAXIMUM PRICE REGULATIONS IN EFFECT FOR MEATS AND
RELATED PRODUCTS ON SEPTEMBER 13, 1943**

A general classification of the maximum price regulations on meats issued by the Office of Price Administration is given in table 3. This may be useful for those interested in knowing what regulations are now in force. The specific price measures are classified according to both the type of meat product and the type of sale. This is a functional break-down of marketing. Some of the product may pass directly from the slaughterer to the retailer, whereas others may pass through many hands. In general, however, the regulations affecting butchers who slaughter locally are included under "retailer."

Table 3.- Meats and related products: Summary of maximum price
regulations through September 13, 1943

| Product | | Regulations now in force establishing maximum prices on sales by | |
|-----------------------|---|---|--------------------------------|
| | | Slaughterers, packers, and wholesalers | Retailers |
| Pork | Dressed hogs, pork cuts, processed meat products | : RMPR-148 & Am. 1 to : 10 | : MPR-336 & Am. 5 to 8 |
| | Variety meats and edible byproducts | : MPR-398 & Am. 1 | : Am. 5 to 8 to MPR-336 |
| Beef and veal | Carcasses and cuts | : (RMPR-169 1/ & Am. 5, : (6, 7, 12, 15, 17, 18, | : MPR-355 & Am. 5 to 10 |
| | Kosher cuts | : (20 to 26 | : MPR-394 & Am. 1, 2, 3 |
| | Variety meats and edible byproducts | : (: (: (MPR-398 & Am. 1 | : Am. 5, 9, 10 to : MPR-355 |
| | Kosher variety meats and edible byproducts | : (: (: | : MPR-394 & Am. 1, 2, 3 |
| Lamb and mutton | Carcasses and cuts | : (: (RMPR-239 & Am. 1 to | : MPR-355 & Am. 5 to 10 |
| | Kosher cuts | : (5, 7, 8, 9 | : MPR-394 & Am. 1, 2, 3 |
| | Variety meats and edible byproducts | : (: (: (MPR-398 & Am. 1 | : Am. 5, 9, 10 to : MPR-355 |
| | Kosher variety meats and edible byproducts | : (: (: | : MPR-394 & Am. 1, 2, 3 |
| Sausage | For war procurement agencies | : MPR-286 & Am. 1, 3, : 4, 5 : Am. 5 to RMPR-148 | : None |
| | For other than war procure- ment agencies | : MPR-389 & Am. 1 to : 5, 7 | : Am. 5, 8 to MPR-336 |
| | Kosher sausage | : Am. 7 to MPR 389 | : Am. 4 to MPR-394 |
| Horsemeat | Carcasses, cuts & processed products | : MPR-367 & Am. 2, 3 | : MPR-367 & Am. 2, 3 |
| Lard | | : MPR-53, MPR-421 | : MPR-422, MPR-423 |

THE WOOL SITUATION

BACKGROUND.— Mill consumption of apparel wool has been at a record level since 1941 as a result of large military requirements. Consumption in the 12 months ended June 1943 totaled 1.1 billion pounds compared with 1.0 billion pounds in 1941-42 and a 1936-40 average of 600 million pounds. Although domestic production has been at record or near-record levels in the last few years the large mill requirements have made it necessary to import large quantities of foreign wool and to maintain relatively large stocks of wool in this country. Ceiling prices for wool were established by the Office of Price Administration in December 1941 and prices of domestic wools have been close to ceiling levels since that time. In April 1943 a Government purchase program was set up for domestic wools and, with certain exceptions, the Commodity Credit Corporation became the sole purchaser of such wools.

Current Market Prices for Wool Irregular
but Little Change From Ceiling
Levels is Indicated

Prices of domestic wools at Boston were irregular in August and the early part of September. Demand was light and some dealer-owned fine Western wools were offered below ceiling prices. The decline in prices resulted chiefly from uncertainty regarding nearby mill demand for domestic wools. Fine grades of foreign wool are available to mills at lower prices than corresponding grades of domestic wool. Army orders which specify the use of domestic wool are the principal outlet for domestic wools at present. With deliveries of many Army fabrics deferred until early 1944 at the request of the Quartermaster Corps, mills are not inclined to purchase additional quantities of domestic wool at this time.

Despite the current weakness in the Boston market, it is unlikely that much domestic wool will be available below ceiling prices during the remainder of 1943 and in early 1944. Most of the remaining supplies of the 1943 clip are held for account of the Commodity Credit Corporation, to be sold at appraised prices based on ceiling values. The spreading out of deliveries of Army fabrics is likely to reduce mill demand for domestic wools, but total requirements will continue relatively large so long as the war continues.

Near-Record Income From Wool
Expected in 1943

The average price received by farmers for wool was 41.2 cents a pound on August 15. Prices for the first 5 months of the 1943 marketing season (April-August) averaged 41.3 cents a pound. Although farmers have less wool to sell this year than last, the 1943 income from wool will not differ much from last year's record income of 157 million dollars. Prices have been averaging about a cent a pound higher than last year. Prices to farmers are not affected by the recent weakening in prices of fine territory wools at Boston. Under the Government purchase program for the 1943 clip, growers are paid current ceiling prices less freight and handling charges for all wool sold to the Commodity Credit Corporation.

The present purchase program for domestic wool is on an annual basis and applies only to the 1943 production. Grower organizations and Government officials have indicated their belief that a price-supporting program should be maintained during the war and until the stock pile of foreign wools stored in the United States as a strategic reserve have been disposed of. But no official decision has yet been made on this matter.

Smaller Production Indicated for 1944

Shorn wool production in 1944 may be slightly smaller than the 1943 production of 377 million pounds because of a reduction in sheep numbers, but production probably will be larger than in most years prior to 1940. Pulled wool production in 1944 probably will be about the same as in 1942 and 1943, or about 67 million pounds. A decline in slaughter of sheep and lambs may reduce the total number of pelts available in 1944. Army requirements for shearlings, however, have been running at a considerably reduced rate in 1943 and if this lower rate is maintained the reduction in the number of pelts diverted to shearlings could offset a moderate decline in total slaughter.

Mill Consumption Down in July

Mill consumption of apparel wool averaged 10.9 million pounds a week (scoured basis) in July compared with 11.8 million pounds in June and 11.5 million pounds in July last year. The July rate of consumption was the lowest since September 1942. Vacation periods and manpower shortages probably account in part for the decline in consumption in July. Consumption of apparel wool on a greasy shorn and pulled basis totaled 661 million pounds in the first 7 months of 1943 compared with approximately 632 million pounds in the corresponding period last year.

Consumption of carpet wool totaled 26 million pounds (grease basis) in the first 7 months of 1943 compared with 42 million pounds in the same months last year and the 5-year average (1937-41) for those months of 84 million pounds.

Army Requirements for Wool Goods to be Reduced in 1944

Procurement of blankets and wool fabrics for Army use will be substantially reduced in 1944 according to the Office of the Quartermaster General. Army requirements thus far have been based on a large issue of goods for men coming into the service and for stocking overseas depots. Now, however, initial issue has been supplied and the size of the Army is being stabilized. Army buying of wool goods will now be chiefly for replacement.

The Quartermaster Corps stated that deliveries of 1944 procurement are expected to be at approximately the same rate as present deferred deliveries. This would indicate a reduction of about 50 percent in the principal wool fabrics such as uniform serge, shirting flannel, overcoating, and blankets.

High Rate of Mill Consumption
Anticipated for 1944

Although Army requirements will be reduced in the latter part of 1943 and in 1944, it is expected that total Government and civilian demand will be large enough to support a high rate of mill consumption. Bare maintenance requirements of the armed forces will be heavy as long as the war continues, and lend-lease and other export requirements probably will increase in 1944. Moreover, production for civilian use has been sharply limited since early 1942 and stocks of civilian goods are relatively small. Civilians undoubtedly will take a larger quantity of wool goods if available. If the war should end in 1944, release of members of the armed forces would stimulate civilian consumption.

Unfilled orders for civilian fabrics held by mills reporting to the National Association of Wool Manufacturers at the end of June indicate an increase in production of civilian goods. Unfilled orders for civilian wear were larger at the end of June than at any time since the first quarter of 1942.

Table 4.- Wool cloth: Unfilled orders reported by mills,
 United States, selected dates 1938-43

| Date | : | Government | : | Other | | : | Total |
|-----------------------|---|--------------|---|--------------|--------------|---|--------------|
| | | | | Men's | Women's | | |
| | | | | wear | wear | | |
| | | 1,000 linear | | 1,000 linear | 1,000 linear | | 1,000 linear |
| | | yards | | yards | yards | | yards |
| End of second quarter | : | | | | | | |
| 1938 (July 2) | : | 995 | | 13,286 | 8,041 | | 22,322 |
| 1939 (July 1) | : | 661 | | 19,913 | 11,526 | | 32,100 |
| 1940 (June 29) | : | 9,436 | | 17,564 | 12,933 | | 39,933 |
| 1941 (June 28) | : | 23,018 | | 49,315 | 18,961 | | 91,294 |
| 1942 quarterly | : | | | | | | |
| Jan. 3 | : | 54,126 | | 34,189 | 12,470 | | 100,785 |
| Mar. 28 | : | 51,519 | | 27,243 | 10,357 | | 89,119 |
| June 27 | : | 80,495 | | 21,520 | 7,949 | | 109,964 |
| Oct. 3 | : | 64,010 | | 15,081 | 6,537 | | 85,628 |
| 1943 quarterly | : | | | | | | |
| Jan. 2 | : | 68,336 | | 18,732 | 9,777 | | 96,845 |
| Mar. 27 | : | 43,273 | | 28,059 | 10,732 | | 82,064 |
| June 26 | : | 60,151 | | 27,239 | 15,016 | | 102,406 |

Compiled from Monthly Statistics of Wool Manufacture published by the National Association of Wool Manufacturers. Statistics are for cloth containing over 25 percent of yarns spun on the woolen and worsted systems. Cloth less than 50 inches wide is reported in equivalent 54-inch yardage.

Commercial Stocks of Wool on June 26
Smaller Than a Year Earlier

Stocks of apparel and carpet wool held by dealers and manufacturers in the United States on June 26, 1943, totaled 566 million pounds (greasy shorn and pulled basis). About 320 million pounds were domestic wool and 246 million pounds were foreign wool. Domestic wool stocks were about equal to stocks reported on the corresponding date last year but foreign wool stocks were 77 million pounds smaller than in 1942.

Dealers' stocks of domestic wool, which included wool held on consignment for the Commodity Credit Corporation, totaled 216 million pounds compared with 181 million pounds on July 4, 1942. Such stocks were considerably larger than in any recent year. Manufacturers' stocks of domestic and foreign wool were smaller this year than last. A part of the current clip was still on farms and ranches at the end of June. Wool has moved rapidly to dealers this year as a result of early contracting and rapid consignment to dealers for purchase by the Commodity Credit Corporation.

Table 5.- Stocks of apparel and carpet wool held by dealers and manufacturers, grease basis, United States, 1937-43

| Year and date | Domestic wool | | Foreign wool 1/ | | Total |
|------------------------|---------------|---------------|-----------------|---------------|---------------------------|
| | Dealers | Manufacturers | Dealers | Manufacturers | Dealers and manufacturers |
| | 1,000 lb. | 1,000 lb. | 1,000 lb. | 1,000 lb. | 1,000 lb. |
| End of second quarter: | | | | | |
| 1937 (June 26) | 131,967 | 87,989 | 18,471 | 86,823 | 325,250 |
| 1938 (June 25) | 169,043 | 95,397 | 16,832 | 58,076 | 339,348 |
| 1939 (July 1) | 107,910 | 103,857 | 16,486 | 63,462 | 291,715 |
| 1940 (June 29) | 110,783 | 99,883 | 18,785 | 84,266 | 313,717 |
| 1941 (June 28) | 100,076 | 91,928 | 34,335 | 182,023 | 408,362 |
| By quarters: | | | | | |
| 1942 | | | | | |
| April 4 | 52,239 | 88,712 | 64,529 | 209,909 | 415,389 |
| July 4 | 181,419 | 140,040 | 62,091 | 261,772 | 645,322 |
| October 3 | 122,229 | 165,339 | 89,117 | 228,393 | 605,078 |
| December 26 | 61,783 | 146,974 | 75,884 | 179,087 | 463,728 |
| 1943 | | | | | |
| March 27 | 38,674 | 83,920 | 44,463 | 156,599 | 323,656 |
| June 26 | 215,955 | 103,616 | 42,952 | 203,836 | 566,359 |

Compiled from reports of the Bureau of the Census.

1/ Includes carpet wool.

Table 6.- Stocks of wool and similar fibers held by dealers and manufacturers in the United States, greasy shorn and pulled basis, June 26, 1943 ^{1/}

| Grade | Domestic | | Foreign | | Total | |
|----------------------------|-----------|------------------|-----------|------------------|-----------|------------------|
| | Dealers | Manufac- | Dealers | Manufac- | Dealers | Manufac- |
| | 1,000 lb. | turers 1,000 lb. | 1,000 lb. | turers 1,000 lb. | 1,000 lb. | turers 1,000 lb. |
| Sheep's wool: | | | | | | |
| Ungraded | 53,593 | --- | --- | --- | 53,593 | --- |
| Fine (64s and finer) ... | 80,174 | 40,574 | 12,521 | 66,034 | 92,695 | 106,608 |
| 1/2 blood (60s-62s) ... | 27,102 | 17,319 | 3,153 | 22,950 | 30,255 | 40,269 |
| 3/8 blood (56s-58s) ... | 35,428 | 27,827 | 15,003 | 34,020 | 50,431 | 61,847 |
| 1/4 blood (50s-52s) ... | 15,151 | 13,210 | 4,229 | 10,325 | 19,380 | 23,535 |
| Low 1/4 blood (46s-48s): | 2,722 | 2,754 | 1,231 | 3,941 | 3,953 | 6,695 |
| Common (44s) | 1,496 | 1,297 | 1,668 | 10,720 | 3,164 | 12,017 |
| Braid (40s and coarser): | 289 | 598 | 1,239 | 6,483 | 1,528 | 7,081 |
| Total apparel | 215,955 | 103,579 | 39,044 | 154,473 | 254,999 | 258,052 |
| Carpet wool | --- | 37 | 3,908 | 49,363 | 3,908 | 49,400 |
| Total sheep's wool .. | 215,955 | 103,616 | 42,952 | 203,836 | 258,907 | 307,452 |
| Mohair | | | | | 3,833 | 9,443 |
| Alpaca | | | | | 1,365 | 434 |
| Other llama fabrics | | | | | 164 | 16 |
| Camels' hair and cashmere: | | | | | 127 | 309 |
| Common goat hair | | | | | | |
| (combing) | | | | | 432 | 2,017 |

Compiled from Wool Stocks Report, Bureau of the Census.

^{1/} These statistics do not include wool afloat to United States dealers and manufacturers and wools held by the Defense Supplies Corporation as a strategic reserve.^{2/} Warehouse and country dealers' stocks, mostly fine grades.^{3/} Because of changes in the classification of fine and coarse carpet wools for consumption purposes, these figures are not comparable with 1942 figures reported in The Livestock and Wool Situation.

Livestock: Marketings and slaughter statistics, by species,
August 1943, with comparisons

| Item | Unit | Jan.-July | | | 1942 | 1943 | |
|--|----------|-----------|--------|--------|-------|-------|--------|
| | | 1941 | 1942 | 1943 | Aug. | July | Aug. |
| Cattle and calves - | | | | | | | |
| Number slaughtered under Federal inspection: | | | | | | | |
| Steers | Thous. | 3,072 | 3,714 | 3,222 | 538 | 493 | |
| Cows and heifers | " | 2,574 | 2,823 | 2,381 | 526 | 303 | |
| All cattle | " | 5,909 | 6,806 | 5,828 | 1,103 | 845 | 988 |
| Percentage cows and heifers are of total cattle | Pct. | 43.6 | 41.5 | 40.8 | 47.7 | 35.9 | |
| Calves | Thous. | 3,132 | 3,232 | 2,435 | 460 | 335 | 434 |
| Average live weight: | | | | | | | |
| Cattle | Lb. | 960 | 969 | 977 | 937 | 970 | |
| Calves | " | 185 | 190 | 175 | 232 | 199 | |
| Total dressed weight: | | | | | | | |
| Cattle | Mil. lb. | 3,120 | 3,632 | 3,140 | 555 | 448 | |
| Calves | " | 326 | 345 | 239 | 59 | 38 | |
| Shipments of feeder cattle and calves to eight Corn Belt States 1/ | Thous. | 790 | 763 | 713 | 222 | 64 | 160 |
| Hogs - | | | | | | | |
| Number slaughtered under Federal inspection | " | 26,319 | 30,813 | 35,324 | 3,223 | 5,427 | 4,464 |
| Average live weight | Lb. | 241 | 243 | 258 | 266 | 274 | |
| Percentage packing sows are of all purchases at seven markets | Pct. | 8 | 10 | 11 | 33 | 30 | 38 |
| Total production under Federal inspection: | | | | | | | |
| Pork | Mil. lb. | 3,582 | 4,243 | 5,282 | 496 | 852 | |
| Lard 2/ | " | 876 | 1,016 | 1,154 | 107 | 200 | |
| Average yield per hog: | | | | | | | |
| Pork | Lb. | 136.5 | 138.0 | 149.9 | 154.5 | 157.3 | |
| Lard 2/ | " | 33.4 | 33.1 | 32.7 | 33.2 | 37.0 | |
| Storage stocks end of month: | | | | | | | |
| Pork | Mil. lb. | --- | --- | --- | 337 | 544 | 3/ 495 |
| Lard 2/ | " | --- | --- | --- | 85 | 241 | 3/ 261 |
| Sheep and lambs - | | | | | | | |
| Number slaughtered under Federal inspection | Thous. | 10,358 | 10,918 | 11,380 | 1,840 | 1,988 | 2,269 |
| Average live weight | Lb. | 90 | 91 | 91 | 86 | 86 | |
| Total dressed weight | Mil. lb. | 436 | 459 | 478 | 73 | 78 | |
| Shipments of feeder lambs to eight Corn Belt States 1/ | Thous. | 963 | 1,033 | 1,203 | 488 | 129 | 432 |
| Total dressed weight of live-stock slaughtered under Federal inspection | | | | | | | |
| | Mil. lb. | 8,664 | 10,070 | 10,723 | 1,329 | 1,690 | |

1/ Total shipments direct and from public stockyards to Ohio, Indiana, Illinois, Michigan, Wisconsin, Minnesota, Iowa, and Nebraska. This series is changed from the one appearing in previous issues, due to the addition of Illinois.

2/ Including rendered pork fat.

3/ Preliminary.

Livestock prices per 100 pounds (except where noted), by species,
August 1943, with comparisons

| Item | 1942 : | | Aug. | | 1943 | | |
|--------------------------------|--------------------|---------------|--------------------|---------------|---------------|---------------|---------------|
| | : annual:1931-40: | | 1941 : | | June : | July : | Aug. |
| | : average:average: | | : average:average: | | June : | July : | Aug. |
| | : <u>Dol.</u> | : <u>Dol.</u> | : <u>Dol.</u> | : <u>Dol.</u> | : <u>Dol.</u> | : <u>Dol.</u> | : <u>Dol.</u> |
| <u>Cattle and calves -</u> | | | | | | | |
| Beef steers sold out of first: | | | | | | | |
| hands at Chicago: | | | | | | | |
| Choice and Prime | 15.19 | 10.39 | 12.06 | 15.77 | 16.35 | 15.98 | 16.13 |
| Good | 13.90 | 9.29 | 11.58 | 14.87 | 15.50 | 15.06 | 15.29 |
| Medium | 12.22 | 7.75 | 10.62 | 13.38 | 14.35 | 13.78 | 13.87 |
| Common | 10.40 | 6.08 | 8.54 | 11.27 | 12.78 | 12.12 | 11.69 |
| All grades | 13.79 | 9.29 | 11.73 | 14.87 | 15.56 | 15.32 | 15.36 |
| Good grade cows at Chicago .. | 10.90 | 5.80 | 8.72 | 11.29 | 13.44 | 13.63 | 12.80 |
| Vealers, Good and Choice at : | | | | | | | |
| Chicago | 14.48 | 8.80 | 12.41 | 14.88 | 15.17 | 14.79 | 15.49 |
| Stocker and feeder steers at : | | | | | | | |
| Kansas City | 11.75 | 6.34 | 9.79 | 12.05 | 14.38 | 12.48 | 12.17 |
| Average price paid by | | | | | | | |
| packers: | | | | | | | |
| All cattle | 10.98 | 6.39 | 9.57 | 11.52 | 13.66 | 12.69 | |
| Steers | 12.61 | 1/ | 11.03 | 13.28 | 14.82 | 14.33 | |
| Calves | 12.07 | 6.73 | 10.55 | 12.40 | 14.14 | 13.30 | |
| <u>Hogs -</u> | | | | | | | |
| Average market price at | | | | | | | |
| Chicago: | | | | | | | |
| Barrows and gilts | 13.69 | 1/ | 11.23 | 14.74 | 13.95 | 13.87 | 14.42 |
| Sows | 13.73 | 1/ | 10.03 | 13.95 | 13.38 | 13.04 | 13.50 |
| All purchases | 13.70 | 7.22 | 10.68 | 14.37 | 13.85 | 13.56 | 13.97 |
| Average price paid by packers: | 13.57 | 7.22 | 10.81 | 14.28 | 13.61 | 13.48 | |
| Average price No. 3 Yellow | | | | | | | |
| corn at Chicago 2/ | 83.3 | 66.8 | 74.9 | 84.4 | 106.1 | 3/106.5 | 3/106.5 |
| Hog-corn price ratio at | | | | | | | |
| Chicago 4/ | 16.4 | 11.2 | 14.3 | 17.0 | 13.1 | 12.7 | 13.1 |
| <u>Sheep and lambs -</u> | | | | | | | |
| Spring lambs, Good and Choice: | | | | | | | |
| grade at Chicago | --- | 8.32 | 11.63 | 14.77 | --- | 14.74 | 13.99 |
| Feeding lambs, Good and | | | | | | | |
| Choice grade at Omaha | --- | 6.96 | 10.63 | 12.94 | --- | --- | 13.47 |
| Ewes, Good and Choice grade : | | | | | | | |
| at Chicago | 6.60 | 3.14 | 4.80 | 6.01 | 7.63 | 7.38 | 6.98 |
| Average price paid by packers: | | | | | | | |
| for sheep and lambs | 11.80 | 7.36 | 10.06 | 11.87 | 12.53 | 11.93 | |
| Index retail meat prices 5/ .. | 108.3 | 81.9 | 95.6 | 111.4 | 118.9 | 112.4 | 111.5 |
| Index income of industrial | | | | | | | |
| workers 6/ | 187.1 | 71.5 | 142.0 | 196.5 | 238.7 | 240.3 | |

1/ Not available. 2/ Cents per bushel. 3/ Represents ceiling price. 4/ Number of bushels of corn equivalent in value to 100 pounds of live hogs. 5/ Bureau of Labor Statistics, converted to 1924-29 base. 6/ Bureau of Agricultural Economics, 1924-29 = 100. Revised March 1943.

Wool: Mill consumption and machine activity, United States,
selected periods, 1941-43

| Item | Aggregate | | | | Weekly average | | |
|----------------------|-----------|-----------|--------------|---------|----------------|--------|--------|
| | 1941 | 1942 1/ | Jan.-July 2/ | | July | June | July |
| | | | 1942 | 1943 | 1942 | 1943 | 1943 |
| | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| | pounds | pounds | pounds | pounds | pounds | pounds | pounds |
| Mill consumption 5/ | | | | | | | |
| Grease basis 6/ | | | | | | | |
| Apparel wool - | | | | | | | |
| Domestic | 493,934 | 530,341 | 277,271 | 297,060 | 10,518 | 7,994 | 8,070 |
| Foreign (duty paid): | 473,751 | 526,185 | 333,141 | 363,963 | 11,084 | 13,036 | 11,633 |
| Total | 967,685 | 1,056,526 | 610,412 | 661,023 | 21,602 | 21,030 | 19,703 |
| Carpet wool - | | | | | | | |
| Foreign (duty free): | 199,453 | 59,687 | 40,192 | 25,686 | 1,079 | 708 | 582 |
| Scoured basis | | | | | | | |
| Apparel wool | 509,014 | 560,469 | 327,799 | 365,766 | 11,474 | 11,832 | 10,948 |
| Carpet wool | 138,917 | 43,100 | 28,598 | 18,899 | 809 | 533 | 436 |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | </ | |

Compiled from reports of the Bureau of the Census.

1/ 51 weeks ended December 26, not strictly comparable with 1941 total which is for 52 weeks. 2/ Jan.-July period represents 30 weeks in 1942 and 31 weeks in 1943. Hence the totals are not comparable. 3/ 4-week period. 4/ 5-week period.

5/ Apparel wool includes all domestic wool and all duty-paid foreign wool. Carpet wool includes only foreign wool entered free of duty for the manufacture of floor coverings, press cloth, knit or felt boots or lumbermen's socks. 6/ Total of shorn and pulled wool. Pulled wool, grease basis, is in condition received from pulleries and is mostly washed. 7/ 1943 figures not strictly comparable with those of earlier years because of different method of reporting. 8/ Includes blended fabrics.

9/ Not available.

Prices per pound of wool and other textile raw materials in
the United States, selected periods, 1940-43

| Item | Average | | | 1942 | | 1943 | |
|--|---------|-------|-------|-------|-------|-------|-------|
| | 1940 | 1941 | 1942 | Aug. | June | July | Aug. |
| | Cents | Cents | Cents | Cents | Cents | Cents | Cents |
| Boston market - | | | | | | | |
| Territory, scoured basis - | | | | | | | |
| 64s, 70s, 80s (fine) staple | | | | | | | |
| combing | 96.3 | 108.8 | 119.1 | 119.0 | 119.5 | 116.9 | 116.0 |
| 56s (3/8 blood) combing | 79.7 | 91.2 | 102.6 | 101.5 | 104.5 | 104.5 | 104.5 |
| 46s (low 1/4 blood) | 76.1 | 82.3 | 90.7 | 91.5 | 94.0 | 94.0 | 94.0 |
| Bright fleece, greasy - | | | | | | | |
| 64s, 70s, 80s (fine) delaine .. | 38.0 | 43.1 | 47.2 | 47.0 | 47.0 | 47.0 | 47.0 |
| 56s (3/8 blood) combing | 41.2 | 46.8 | 51.8 | 50.0 | 54.5 | 54.5 | 54.5 |
| 46s (low 1/4 blood) | 41.0 | 46.5 | 49.8 | 49.5 | 51.8 | 52.0 | 52.0 |
| Foreign wool - in bond at | | | | | | | |
| Boston <u>1/</u> - | | | | | | | |
| Sydney - scoured basis - | | | | | | | |
| 64s, 70s, good combing | 67.9 | 72.7 | 78.1 | 79.0 | 76.5 | 76.5 | 76.5 |
| Cape - scoured basis - | | | | | | | |
| 12 months, combing | 62.9 | 70.9 | 75.6 | 76.5 | 75.5 | 75.5 | 75.5 |
| Montevideo - grease basis - | | | | | | | |
| Merinos (60-64s) | 31.2 | 40.4 | 43.0 | 43.0 | 42.5 | 42.5 | 42.5 |
| 1s (56s) | 32.4 | 38.6 | 42.5 | 42.2 | 42.5 | 42.5 | 42.5 |
| Prices received by farmers, | | | | | | | |
| grease basis, 15th of month | 28.3 | 35.5 | 40.1 | 39.9 | 41.3 | 41.5 | 41.2 |
| Average prices, scoured basis <u>2/</u> -: | | | | | | | |
| 10 grades, Boston | 84.7 | 96.6 | 107.0 | 106.3 | 108.6 | 107.6 | 107.2 |
| United States farm price | 70.2 | 86.4 | 97.2 | 98.7 | 102.5 | 102.6 | 101.8 |
| Spread | 14.5 | 10.2 | 9.8 | 7.6 | 6.1 | 5.0 | 5.4 |
| Textile fibers: | | | | | | | |
| Wool, territory fine staple <u>4/</u> .. | 96.3 | 103.8 | 119.1 | 119.0 | 119.5 | 116.9 | 116.0 |
| Cotton, 15/16" Middling <u>5/</u> | 10.2 | 13.9 | 19.3 | 18.6 | 21.1 | 20.9 | 20.4 |
| Rayon yarn, 150 denier <u>6/</u> | 53.0 | 53.6 | 55.0 | 55.0 | 55.0 | 55.0 | 55.0 |
| Rayon staple fiber <u>7/</u> - | | | | | | | |
| Viscose 1-1/2 denier | 25.0 | 25.0 | 25.0 | 25.0 | 25.0 | 25.0 | 25.0 |
| Acetate 5 denier | 43.0 | 43.0 | 43.0 | 43.0 | 43.0 | 43.0 | 43.0 |

Compiled from reports of the Food Distribution Administration except as otherwise noted.

1/ Before payment of duty. Compiled from the Boston Commercial Bulletin.

2/ For basis of computations see February 1943 issue of The Livestock and Wool Situation.

3/ Revised.

4/ Scoured basis, Boston market.

5/ Average at 10 markets.

6/ Domestic yarn, first quality, Bureau of Labor Statistics.

7/ F.o.b. producing plants, Bureau of Labor Statistics.

APPAREL WOOL, SCOURED BASIS: MILL CONSUMPTION BY PLACE OF
ORIGIN, UNITED STATES, 1935-39 AVERAGE, AND 1940-43
WEEKLY AVERAGE FOR EACH MONTH

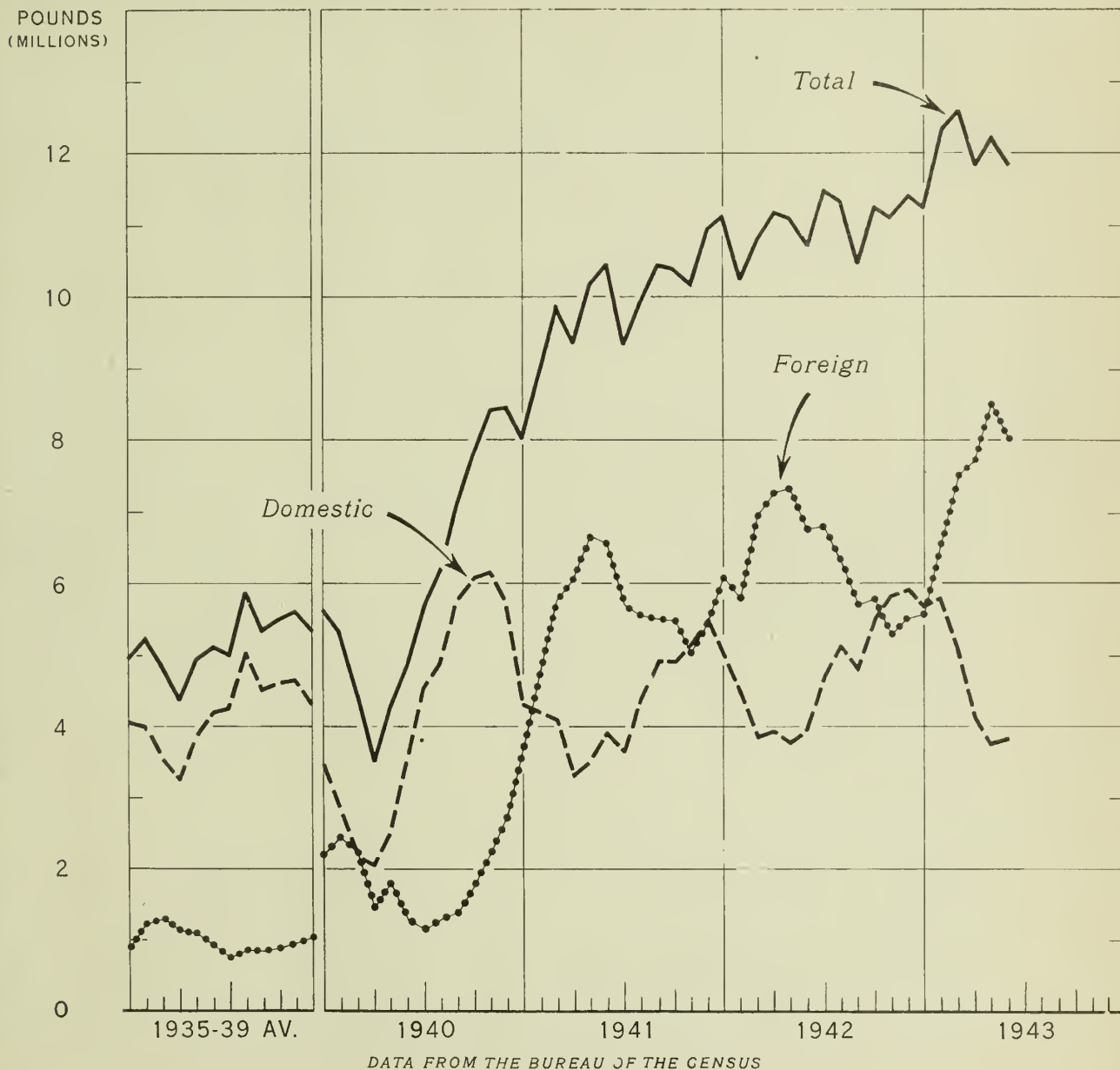


Figure 2.- Mill consumption of apparel wool is now limited chiefly by machinery capacity and available manpower. Although military requirements for wool will be reduced in 1944 it is anticipated that civilian demand will be large enough to support a high rate of wool consumption. The record consumption in recent years has greatly increased mill requirements for foreign wools.

WOOL, SHORN: PRODUCTION, PRICE, AND CASH FARM INCOME, UNITED STATES, 1918-43



Figure 3.- Because of reduced sheep numbers, farmers have less wool to sell in 1943 than in the last two years of record production. Prices this year, however, are averaging about a cent a pound higher than last year and the 1943 income from wool will not differ much from last year's record income of 157 million dollars.